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JAPAN OVER ASIA

• Asiatic

BY THE time this hurriedly written sheaf of notes will have reached you, Shanghai may be invested, Shansi, Suiyuan and southern Chahar occupied, and the entire Chinese coast blockaded. One might say that this will spell the financial exhaustion of the Nanking Government, the active military intervention of the Soviet Union, the diplomatic and economic intervention of Great Britain, the very indirect diplomatic and economic interference of the United States.

What happens will depend on:

1. Whether the young military "anti-capitalist" elements struggling for the political domination of Japan succeed in winning the day in that country. The undeclared war in China may itself be one phase of a political revolution in which the "anti-capitalist" — that is, State-capitalist — young militarists of Japan take over their State completely in the furtherance of their schemes.

2. Whether Great Britain finds it worth while to permit the French to consummate their military pact with Russia and thus enters into the alliance herself. Otherwise France cannot permit the Russians to start a war over China. For this would force the Russians to send most of their forces to the Far East and leave France at the mercy of the German-Italian allies. The latter would not necessarily attack directly by means of arms, but with demands to which France could not say no. What Britain decides to do will depend to a great extent on the degree of completion of its armament program. The British people have already been weaned—with the help of the various radical groups—of the pacifist, anti-war attitude they held only a year ago.

3. Whether the United States government can succeed in stopping the Morgan interests from financing the Japanese conquest of China, as they financed the conquest of Manchuria in 1931, by advancing money for the supposed development of Formosa.

To estimate the possible turns of the situation, it is essential to know the stage and the actors.

CAPITALISM, an economic mode that must expand and spread to live, arose in the non-capitalist milieu of Western Europe, in an environment of simple merchant production. It has grown and spread over the world by destroying forms of natural production (production for the use of the producers and their kin) and instituting the market instead, by destroying simple merchant production (production of useful things for sale by the producers themselves) and substituting instead the conditions of capitalist production and distribution (investment of capital values for their self-expansion through the exploitation of the body strength of wage workers). We can distinguish historically three phases in the development of world capitalism: the struggle of capital against natural economy (Europe in the later feudal era); the drive of capital against merchant economy (Europe in the 18th and 19th centuries); and the present world-wide struggle of rival national capitals and international combinations over the conquest of the remaining non-capitalist fields of accumulation. This conquest is political as well as economic. There can be no peaceful capitalist penetration of the backward areas.

The 450 millions of China still live for the most part under pre-capitalist social conditions. China remains one of the biggest chunks still left for capitalist transformation. In 1839, China was opened to European penetration by British cannon. The latter brought to China capitalist culture in the form of opium. All through the 19th century, the European States, in behalf of their national capitals, waged war against China in order to make the Chinese buy the European commodities and have them sell Chinese products. "Persecutions of Christians provoked by Europeans, disorders incited by Europeans, periodic massacres, in which a defenceless agricultural population had to pit itself against the perfected technique of European militarism, heavy war tribute, European loans, European control of the national finances, and as a consequence, the occupation of the Chinese fortresses, the opening of the free ports and the concession of railways to the European capitalists."

As a result of the process of capitalist penetration, the backward, pre-capitalist social structures are drawn into a relation of exchange with capitalist production and finally succumb to capitalism. The recently backward people either join the circles of the capitalist exploiters or the ranks of the capitalist exploited. There appear bastard social formations in which previous modes of exploitation mix with the exploitation of wage labor that is typical of capitalism. But at the same time there arises a native capitalist class, interested in preserving the home patch for themselves.

The Chinese revolution of 1910 was the expression of the political and economic ambitions of the native bourgeoisie that arose in the country with the capitalist penetration of China. In Japan, an important section of the feudal nobility had forestalled European capitalist domination by acquiring capitalist interests themselves and modernizing the country under the guidance of a reorganized State. In time, Japan became one of the imperialist rivals in the world market. In China the movement for the economic and political independent development of the country under the hegemony of the native bourgeoisie found its ideological formulation in Sun Yat Sen's "Principles." This movement was naturally opposed by the capitalist powers interested in China. The latter, especially Great Britain, aimed for some time to safeguard their interests by preserving the feudal, reactionary elements of the old imperial regime. The Nationalist movement, however, continued to spread. By the end of the World War, it attained State power in Southern China (Canton). By 1924 the ambitious Chinese bourgeoisie made an anti-British and anti-Japanese alliance with Soviet Russia. By 1928, the Chinese bourgeois patriots broke their alliance with Russia and sought the aid of American capitalism, which now occupies first place in China's foreign trade. Later the Kuomintang government began to win for itself the confidence of the British capitalists.

The Nanking Government represents the politically and economically ambitious native bourgeoisie of China. As constituted at present, it is really the political expression of a syndicate, a corporation, of Chinese capitalists. The Nanking Government wants to unify China politically and culturally (that is, by giving the population one language, etc., and by bringing the country under the government of one State.) It wants to preserve the economic, and therefore political, independence of the country by having the modernization and capitalist development of China take place under Chinese supervision.

The syndicate of Chinese capitalists represented politically by

the Kuomintang and the Nanking government is quite ready to have China continue as a field of investment for foreign capital, but it wants this to take place under national Chinese control. A different sort of arrangement was forced on China by the powers in 1913 in the form of the Reorganization Loan Agreement. This was broken by Nanking in 1928, when financial backing by the United States made it feel strong enough. Following the World War, the leading powers, through their representatives at Paris, instructed their bankers to form a "Consortium," a pool through which money was to be advanced to the government of China for the development of the country, without having the loans earmarked as representing the interests of this or that power. This meant the economic occupation of China without benefit of the native Chinese bourgeoisie. It meant the partition of China into spheres of economic influence. The scheme came to naught as a result of the strenuous opposition of the Chinese patriots, who at that time started to give proof of political strength in the shape of the then Cantonese government.

The prestige of Nanking Government has grown greatly in the last six years. This was especially due to its military domination of the country, which is still held by different war-lords. The domination of Nanking was made possible by British and American financial backing. The British capitalists, who had been relying on the Japanese to preserve social stability in the North of China, came to understand that the same task, making possible the development of the country, and therefore the expansion of their investments, can be better entrusted to a Chinese government.

Several proposals to finance the development of China under the supervision of the Nanking government have recently been made by American and British syndicates with the approval of their governments. These moves were hampered, and in a way stopped, through the opposition of Japan, which has come to believe that it has special rights in China. Apparently important action by American and British financiers was in the offing when the Lukouchiao incident began the undeclared war.

Prior to his departure for England, Dr. H. H. Kung, Finance Minister of the Nanking Government, announced a number of financial measures, the purpose of which was to attract British and American investments to China under the supervision of the Kuomintang government, such as the establishment of a Central Reserve Bank, the balancing of the national budget for the coming year, the revision of the Chinese Banking Law and the continuation of the program for reservicing outstanding foreign obligations. These measures were all in accord with the previous Leith-Ross Mission sent by the British Government to China to investigate the possibilities of the development of the country, with the understanding of the Chinese State.

On July 9, Dr. Kung made arrangements with Washington, providing for the extension of the credit facilities made available to the Central Bank of China for currency and stabilization purposes. On July 30, Kung contracted with the British and Chinese Corporation of London for 7,000,000 pound sterling for railway construction. There was the beginning of talks about other loans for the development of the means of communication, the exploitation of mineral resources, the creation of heavy industry and the textile branches.

But all the while the Nanking government has been getting money, on the basis of its mounting salt revenue. Much of it has been applied to armaments. This preparation had two purposes: domination over the local rulers that have come into being with the incessant fighting that followed the first revolu-

tion and set themselves up as feudal district overlords; and, second, preparation for a combat with Japan, which had backed the bigger Northern war-lords against Nanking and had occupied, under the pretext of keeping social peace and defending the honor and property of its nationals, one-fourth of the territory of China. The present agricultural boom in China favored the chances of the Nanking Government to win the further confidence and cooperation of European and American capital. Capitalist Japan, which has had a twenty-year alliance with the British (obviously to protect the British interests in Asia against Tsarist and then Soviet Russia) opposes international financial assistance to China. It claims the right to a controlling voice on the Asiatic Pacific coast. It calls for the end of Western capitalist influence in China.

The Japanese militarists—the "young men" of the Kwantung Army—felt it was necessary to act before the financial support given to Nanking by the British government and by British and American capitalists got too far under way. They, and the radical politicians in Tokyo, saw the significance of the extensive program of the British for the perfecting of the Hong Kong fortifications. Apparently British good-will to Japan's role in Asia has come to an end. All of this helps to account for Lukouchiao and what has come after. Lukouchiao was, of course, a bald act of provocation on the part of the Japanese young military officers. But the latter knew they had the backing of the new government.

WE KNOW Japan, a country that lived under feudal social conditions in the middle of the 19th century and whose dominant classes shrewdly chose to effect the inevitable capitalist transformation under their own control. The Japanese nobility (or rather a section of it that had already taken to commerce) accomplished in the second half of the 19th century what the Chinese bourgeoisie is trying to put across now. They modernized their country without the loss of political independence. They accomplished the capitalist revolution their own way. As its production developed, Japanese capital sought a share of the world market. And, especially because it was poor in raw materials, it began the conquest of the Asiatic mainland. As a result of wars with China and Russia, imperialist Japan increased the territory under its control about six times. At present its lack of important raw materials threatens its position as a dominant power on the Pacific Coast. It lacks cotton, iron and other metals, and fuel in the shape of coal and oil. All these materials are just as important for war preparations as for productive purposes.

The rise of two new rivals in the imperialist arena urges Japan to make up these deficiencies as early as possible. Japan is challenged by the State-directed monopolist capitalism of the U.S.S.R. and the ambitious Chinese bourgeoisie, a new power slowly but incessantly taking shape in the Far East. Japan finds it necessary to act immediately, to shatter, to seize the sections of the Chinese jig-saw puzzle before these are integrated—with the help of British and American capital—into the giant figure that will certainly not fear the few starved rocky islands that are the head and heart of the Japanese Empire. And now—before it is too late—is the time to stop or incapacitate strategically the other historic enemy of Nippon—Soviet Russia. Act boldly! For boldness wins against odds, and we have strength and swiftness for the time being. Occupy the whole of North China! Occupy as much of the Chinese coast as you can! Take and claim for yourself Shanghai! Rule China in the name of Chinese traditionalism! The Manchus have done it before. And push into southern Chahar and into Shansi, move into Suiyuan, opening the way for a quick drive into Soviet protected Outer Mongolia to set up in the Urga-Baikal district a White Russian

puppet State under its control. We can win now while the Powers are still hesitating in Europe.

This capitalist thinking is done not by the old financiers and industrialists of Japan. The old fellows have lost political power. There is a political revolution in process in Japan. The same "young men" who staged the Tokyo rebellion and assassinations on February 26, 1936, are in power. Just as the needs of adjusting the capitalism of their countries to new needs have been taken in hand by the Nazis in Germany, the Fascists in Italy, the Bolsheviks in Russia—so in Japan the "anti-capitalist" militarists, the radical sons of the peasantry and small nobility, drown their brains in the vapor of a great and greater nationalism, and vow to save their country and entire Asia from "Western capitalism" through conquest and State capitalism.

We can get an idea of the economic plans of these people from the Industrial Control Law that was recently promulgated in Manchukuo by the Kwantung Army. Nineteen key industries—only crumbs are left for private enterprises—are placed under the initiative and control of the Government, that is, the Army. The young Japanese officers of the Kwantung Army announced some time ago that Manchuria was not to become "a happy hunting ground for Japanese capitalists." Also in the Peiping-Tientsin district (most recently conquered) the large-scale industrial development projects are carried on by the army itself. The same will apply to the rest of the territory the young Japanese militarists will conquer. They plan to have it apply to Japan itself.

Major-General Gun Hashimoto, Chief of Staff, died of "high blood pressure" when he attempted to interfere with the "Young Military Officers" in the Fengtai affair. In other words, he was murdered. The Likouchiao Affair of July 7—the present undeclared war—was begun by the same "young men."

They turn to the world with the high-faluting, fanatical declaration: "Asia, long regarded as a happy hunting ground, an object of exploitation—Asia tremulous at the impending sight of depredation at the hands of Western Powers . . . is now awakening with undreamt of rapidity. It is no longer the colonial appendage of Western Powers. It has an opportunity of creating its resources by its own strength." This is the language of fanatics, but also the language of capitalism. To rail against capitalism in very prose has become a convenient maneuver of the ambitious imperialist.

WHETHER the Japanese are stopped depends, as was suggested above, on the active attitude of Great Britain and Russia. The latter will act if Britain is willing to make a move in behalf of the Franco-Russian alliance in the West.

The British stake in China is the biggest of all Western powers. Japan's conquest of China will endanger British investments and British financial and political influence in entire Eastern Asia. It will find an echo in Siam, the Malaya and India.

Japan rose to its present position of power under the financial and political protection of Great Britain. The latter used Japan to safeguard its Asiatic interests against Tsarist Russia. The British-Japanese alliance continued with the rise of Chinese nationalism, which was anti-foreign in sentiment. It appeared to the British politicians that only the Japanese arms could guarantee stability in a China made chaotic by political and social convulsions. This alliance seemed to have come to an end with the Washington Conference. It showed itself in the British toleration of Japan's conquest of Manchuria. This too is accounted for mainly by Britain's fear of Russia and the drive of the Chinese Communist Armies financed by Russia.

Certain British politicians argue even now that British interests in China can be best defended by the British-financed arms of the Japanese. But for most British investors interested in China it now appears extremely unlikely that Japanese control of China—that is, control by the "young officers"—would mean increased opportunities for British capital and trade. It seems to them quite evident that the stable financial condition of China will go out by the door. If the Japanese militarists get a free hand on the mainland, the "young officers" will not be satisfied with North China. It is probable that with a complete Japanese victory British capital will not be allowed to participate in the economic development of China. It is probable—in face of the rise to power of the young anti-West zealots—that the expansion of a greater Japan will continue toward the Malaya, Siam and India.

The events in Europe make it impossible for Britain to maintain a strong fleet in the Far Eastern waters. The British rearmament program is not complete. Britain could not take direct action against its former protégé even if it wanted now. The United States Neutrality Act precludes Anglo-American cooperation in dealing with Japan. The situation appears to drive Great Britain into a Franco-British-Russian Alliance. This would offset the threat of Nazi Germany on the west of Russia. The French financier allies of the Soviet Union would then not hold Russia back from acting in the Far East. They and the British would permit and even finance Russian aid to the Nanking government. The British might even engineer an internal overturn in Japan that would bring back the old politicians to power. Much depends, as I noted above, on whether the American banks finance the young Japanese militarists as they financed their grab of Manchuria in 1931 (and financed the victory of the Nazis a little after).

Britain prefers its own way. What will it be?

I have omitted consideration of the many millions of laboring and starving Chinese and the millions of their Japanese fellow laborers, so many of whom are dying and will die for the national ideals that their masters inscribe for them. They, like their brothers in Russia and elsewhere, will remain beasts of burden and food for cannon till they come to know better. They will learn in time.

LETTER OF MAO-TSE TUNG

• President of Soviet China

(Continued from August issue)

Now as for the situation in the provinces of Honan, Hunan, Hupen, Kiangsi, Jukien and Chekiang. Several detachments of the Red Army in those territories do not act in accord with our instructions and laws. But that is entirely due to the difficulties of communication, with the result that they did not receive our regulations and orders. Furthermore, the conditions in these territories are particularly bad and severe measures of repression are taken there against the soldiers of the Red Army by the Kuomintang. The violent reaction of the Red Army against such treatment is largely motivated by a sentiment of vengeance.

However, we do not approve of this, and do our utmost to correct such acts. We hope that the oppression and counter-attacks against the soldiers of the Red Army will cease. Unfortunately the decisive factor in this situation is not in our hands.

Naturally, the members of the Communist Party should participate in the local organizations of the Salvation Association. We shall contribute with all our forces to the success of this

organization. We shall struggle in it, as in similar organizations, in common with other parties and groups for the existence of the Chinese nation. Our members will submit entirely to the majority if our opinions do not correspond to those of the majority.

Our members will not oppose the leadership of those organizations, but will on the contrary support those leaders in order to help them to display their abilities before the masses, and will work under their direction. To overcome the principal enemy, we ought to strive not only for our own victory and our own development but also for the victory and development of the allied armies. Our slogan within the single front is: "Unity of all the anti-Japanese and anti-traitor parties and classes." We fully realize it would be false to propagate within the single front a slogan like "Down with such a class!" or "Down with such a party!"

In the Kuomintang and in the national government there are many anti-Japanese leaders, functionaries and members. We want to get together with such people. That is why we consider false the policy of waging a vague and general struggle against the Kuomintang and its entire base.

We consider to be erroneous the attitude of some of our members who, participating in the Salvation movement, demand total agreement with all their opinions. We shall endeavor to correct this.

We firmly believe it is possible to unite around the principal idea—the struggle against Japan—and to ignore, for the moment, any minor divergences that may exist. We therefore bespeak an attitude of mutual tolerance in the united all-national front, and believe that such a policy has a brilliant perspective. This united front will not only win over Japanese imperialism and overcome all traitors, but will in time emancipate China from the imperialist yoke.

By the way of this stage of coalition, we shall eventually attain the real democratic unification of China. We believe the single front is not a temporary coalition. Obviously, it is inevitable that during so long a period certain elements will hesitate, betray and leave the united front. But that will not signify its end.

The present united front is quite different from the one that existed in 1925-27. Today the objective need of it is much clearer and its foundation is much firmer. And that simply because at this moment the national crisis is by far more serious than in 1925-27. The single front of 1925-27 was aimed at an inner enemy, that is, against the militarists of Peiyan. The single front of today, however, is directed against the foreign enemy. In 1927, the traitors to the united front could establish a semi-independent government. Today and henceforward those who betray, or neglect to join, the single front will not be able to establish a semi-independent government. They will not even be admitted to the ranks of the Chinese people.

The most important question facing us now is the fact that certain parties continue their policy of unifying China by force. They can, manifestly, only lead to needless civil war. Since the time of Yuan Shih-kai, nearly all the militarists have tried such a policy, with the same lack of success.

Unfortunately, there are many persons who support such a policy. And there are also others who oppose a "National Front" militarily imposed on the united democratic front.

We are not against national unification. What we oppose is civil war. We believe that there is only one way of unifying the country, and that is for all parties and all groups to get together on the basis of equality to combat Japan and to establish

a democratic regime. If this road is not taken and an attempt is made to unify the country by force, that is, through civil war, the result will not be the unification of China but China's disintegration and destruction. We are for the unification of China by democratic means.

We are ready to submit to all resolutions that may be adopted at a popular conference that is really representative of the opinions of the whole Chinese people. We are ready to propose that all important questions be solved by such a representative conference. We shall even submit to such a conference the question of the Soviet structure of the government, that is, if the soviet regime should be applied in the whole of China or if it should be completely abolished.

But we must clearly declare that we consider to be anti-democratic the project of the constitution, and the organizational and electoral laws for the people's congress, as it is elaborated by the national government. A popular congress convoked on the basis of these laws will not, in our opinion, represent the will of the people. That is why we cannot participate in the election of the representatives of such a congress. Neither can we, together with the rest of the people, consider it to be our duty to submit to the resolutions of such a congress. We believe that the existence of such a congress will be harmful.

We are, however, quite ready to participate in a representative popular conference elected on a democratic basis.

We have the pleasure of signing the program of the All-China National Salvation Association.

With national-revolutionary greetings
signed: MAO TSE-TUNG

WHITHER FRENCH LABOR

• M. Chambelland

IN THE following report, M. Chambelland, an old fighter in the ranks of the C.G.T., the French Federation of Labor, and the now defunct C.G.T.U., which rivalled the C.G.T. up to recently, describes what is happening and is probably going to happen in the French trade-union movement.

As the country started to rise out of the depression, the French workers found it possible to dare to bargain for the market price of their labor power. This tendency to strike under the favorable conditions of the labor market was taken in tow by the Popfront combination of two sets of social entrepreneurs: 1. The social-democratic politicians and the old "reformist" trade-union officialdom, and 2. the handy boys who live to serve the State-directed capitalism of Russia. The partnership used the workers' discontent in behalf of its own purpose to the extent that this was safe. Then it smothered the strike wave before the latter could lead to socially disturbing consequences.

Blum, the poor men's white hope, has been put on the shelf, but the Popular Front continues. The gains made by the French workers through the spontaneous strike movement of June 1936 have been eaten up by the risen cost of living. But the French workers do not strike back. They are in the army now. Their economic organizations have been taken in hand by the Popfront. The merger of the two labor federations, the C.G.T. and the Communist paper C.G.T.U.—that is, the pact of the officials of the two organizations—has produced a body that is becoming more "disciplined" and manageable every other day and in which already, as Chambelland puts it, any worker who broaches the

subject of strike is officially branded as an "hysterical gesticulator," a "provocator in the pay of the bosses" and even a "Trotskyite agent of the Gestapo." The diplomatic needs of the Popfront come first. The workers are instruments wielded by the enterprising partnership at the top. The workers must be kept from annoying the "progressive" sections of the French capitalist class with their demands for a bigger portion of the product created by themselves. There is a war alliance between the French capitalist class and the Soviet Union which has not as yet been consummated. Any untoward disturbance may spoil the deal. The partnership of the labor lieutenants of French capitalism and Stalin's bellhops stand guard to see that the bound and doped French labor does not rise to spoil the deal.

Soon after the merger of their paper trade-union organization with the C.G.T., the Communists (who are very effective in keeping the workers in line, because of their conspiratorial Nazi-Bolshevik method of inner organization and their claims as leftist and revolutionary defenders of the working class) started to take over for themselves various pie-card jobs in the local unions. Their contract not to be piggish about paying positions was with the big-shots at the top and not with the little union officials, who nearly all arrived at their posts as a result of their militant activity in strike struggle and, under the old autonomous formation of the C.G.T., were pretty well under control of the rank and file. As such, they are not to be relied on to carry out policies dictated by higher boards of strategy. As Chambelland suggests, the Confederal Committee, that is, the Committee of the Labor Confederation, is little by little becoming a *Central Committee*. The Communist "colonization," their capture of official positions, is going on apace. "Irresponsibles" and "uncontrollables" are being removed from official posts or are "isolated." And since Himmler's Gestapo wants strikes in France, there are no strikes in France.

Of course, all of this may change. Change all of a sudden. The Laborite big-shots and their Communist partners, now sitting pretty on the top of the doped and bound workers of France, may have a falling out. They will fall out if their own bosses disagree. That will certainly happen if the Franco-Soviet military alliances is not completed and Stalin is obliged to form one with Hitler. Then the Communists, who now keep the workers from striking in spite of the offensive of the French employers, by reason of the claim that the Popfront government of Chautemps must not be embarrassed, will let loose like the blazes of hell. Then the handy boys of the State-directed capitalism of Russia, who now pour scorn on the heads of opponents of capitalist war, even "wars for democracy," will start shrieking for the French workers to strike, to strike generally and politically, to build barricades, to get slaughtered in suicidal contests with the armed forces of the State, to do anything and everything crazy in order to "turn the imperialist war into a civil war," in accordance with the spirit of the right chapter and verse in the collected works of Lenin. On the other hand, it is also possible that the military sections of the Franco-Soviet pact will actually be consummated (if Great Britain finds it worth while to permit), and when the war for democracy does come, the workers may demur, especially if they learn that over the border in Naziland, where the German version of Bolshevism is also building a new social order out of skulls and bones, people in great numbers refuse to die for the dictatorship.

But even before then things may begin to happen in the C.G.T. Chambelland suggests a great deal when he points to the fate of the C.G.T.U.

From "*Révolution. Prolétarienne*," Paris

MUCH WAS expected from the August 4th meeting of the Confederal Committee.

The Committee met several weeks after the resignation of Leon Blum's government. In view of the fact that the C.G.T. was the most important component element of the Popular Front, it was natural to expect the National Committee to give its stand on Blum's fall.

It was also quite natural to expect from the Committee a statement on the position of the C.G.T. toward the Chautemps government.

Everybody knows that the formation of the new government was greeted with a new offensive of the employers. We hoped that the national Committee would present a plan for a counter-offensive by the workers and bring effective aid to the unions now bearing the brunt of the attack.

And finally, there was the hope that the national committee of our labor federation would scrutinize the trick of "colonization" that has begun to be put over on us by the Communists since the congress of Toulouse. We have dealt with the question of the spread of this disease fortnight after fortnight in the pages of the *R.P.* The militants grouped around the publication *Syndicats* indicated their desire to have something done about this maneuver. We were told that an official statement was being prepared. Certain union journals even evoked the possibility of a split. There was, at least, the expectation of discussion on the subject. It was apparently too much to expect from a one-day meeting.

The national Committee of our labor federation said nothing about the fall of Blum's government. The natural deduction is that, for the members of the Committee, there is no essential difference between the two governments. For them both are governments of the Popular Front. That must have already been the view of the leaders of the C.G.T. when they let Blum depart without raising a finger.

Jouhaux complained at the meeting of the "awakening of the employers and the reactionaries." Everybody knows this. The "awakening" undoubtedly began when M. Bienvenu-Martin in the Senate got Salengro to condemn the occupation of the factories. Why did not the Committee declare that the fall of the Blum government was a distinct step in that direction? Why did not the Committee refer to the striking coincidence in time of the change of government and the offensive of the bosses? Why did it refuse to take notice of a certain change of "climate," noticed by all militants at grips with the daily difficulties of the working class?

There are comrades who are starting to say that, in face of the change of government, the C.G.T. should reassume its independence from the government as well as from the Popular Front, seeing that the latter supports the new government. That is no doubt Liochon's opinion. Other militants who are no less influential are probably of the same opinion, but they would not like to have the break with the Popfront come from the side of C.G.T. They prefer to wait to have others take this responsibility. "Others" means the Communists in this case. But at this time the Communists are for total confidence in the government and that in a bloc. Their instructions are to do nothing that may weaken the Chautemps government. That was enough to have the national Committee to keep quiet. Indeed, it is the stand taken by the Communists that determines now the policy of the C.G.T.

Many militants see through appearances, but they have no influence. Savoie describes the situation faithfully when he says:

"The government is powerless to defend the working class. It is up to the workers to defend themselves." At its August 4th meeting, the national Committee limited itself to transmitting numerous and quite just complaints to the same "powerless government."

In lieu of a counter-attack by the workers, they are waiting for a reply from M. Chautemps. "It is impossible to consider future action," said Jouhaux, as reported in the *Peuple*, "before we learn the answer of the government."

In other words, the famous "pause" continues. Taking time out for a "breathing spell" may have appeared reasonable immediately after the great outburst of June 1936, under Blum's government. A "breathing spell" of this sort is dangerous and senseless in the face of an organized attack by the employers.

It is useless to dwell any more on the complaints presented by the national Committee to the head of the government. Everybody sees what is going on. The employing class is throwing off its lamb's clothing. Blum's fall has given it new confidence. What does the committee propose to do in face of the bosses' offensive?

The only answer that the Committee found to this question was the institution of *sanctions*, which will be supposed to apply to those employers who do not submit to decisions arrived at by arbitration.

When the C.G.T. accepted obligatory arbitration—contrary to all the traditions of French trade-unionism—care was taken to inform us that the absence of sanctions constituted a sort of guarantee of the free exercise of the right to strike. We were told that we were needlessly alarmed, that the unions could always decide to strike against an unsatisfactory decision given by the arbitration board. Now the national Committee of the C.G.T. calls for the "institution of an arbitration jurisdiction that would apply sanctioned rules." And in order to have the decisions of arbitration be respected, it calls for the "application of sanctions." "These sanctions," adds the resolution, "should be effectively applied, and should be reinforced if they prove insufficient." But the secretary-general of our national labor federation is careful to add that there can be no question here of one-sided sanctions. The *Peuple* reports: "Jouhaux took the stand for sanctions, particularly for sanctions that cannot evidently be one-sided."

And if we put aside the bad prose on the so-called "solidarity that joins the working class to the entire nation," in the name of which nation a promise is made to make an effort for the pensioning of old workers—that is all that the national Committee of the C.G.T. has to offer organized French labor as a plan of campaign.

Savoie—and you will excuse me for quoting again the federal secretary of the Food Workers' Union—said: "A form of clear, definitive action ought to come out of the Central Committee,¹ otherwise the authority of the C.G.T. will diminish."

I think it is quite obvious what conclusion comes most naturally to one's mind here.

Alas! The authority of the C.G.T. did not begin to diminish on the day of the Committee meeting. When the offensive of employers began, the rank and file in the unions could not quite make out the attitude of their organizations. They noted with surprise that they were being led to capitulation after capitulation by their "militants." By now it has been explained to the workers

that any worker who speaks of striking is at best an "hysterical gesticulator," a provocator in the pay of the bosses, or even a "Trotskyite agent of the Gestapo."

We are not partisans of strike for strike's sake. We have battled long enough against the worthies who have led the C.G.T.U. to its fall by ordering strikes at a full and steady blast, and we have conserved from this experience the lesson that the strike is a delicate weapon, and must be handled with caution. But we are still convinced that, utilized intelligently, the strike is often the final method of facing the adversary. The strike weapon should not be toyed with, but neither can it be tossed away.

For years we have clamored for a "strategy of strikes." For years we repeated that the organization of a strike should be a matter of essential preoccupation by the central organization of our trade unions. We believe that today the C.G.T. can find inspiration in the methods applied in America by John Lewis' C.I.O. It is right to stop labor organization from rushing into the fray at a badly chosen moment. But instead of leaving the union alone with its difficulties, the C.G.T. should cooperate with it in the study of the possibilities of launching the strike action at a more opportune moment when the chances of winning are greater.

And all of this can be done without waiting for an answer from the government.

Now some people might be tempted to ask what we propose to do. In response to the question, we must look facts straight in the face and first take cognizance of a thing that complicates the situation, making it at times incomprehensible. I am referring to the complete accord between the old leaders of the C.G.T. and the Communists in the practice of out-and-out reformism.

The Communists now accept everything. When by chance an ex-Confederal (a member of the C.G.T. before the Communists dissolved their own paper trade-union organization, the C.G.T.U., and entered the C.G.T.) does not move entirely to the right, it is the Communists who step up to him to advise him "suppleness," that is, the most egregious opportunism. Nobody wants to rise against the present policy of the C.G.T. because nobody wants to find himself located more to the left than the Communists. When at the congress of Toulouse Frachon vied in reformism with the old leadership of the C.G.T., many ex-Confederals laughed. No more than that. They did not understand the manoeuvre. The manoeuvre has succeeded again.

It has succeeded in stopping the militants grouped about the publication *Syndicats* from putting down a barrage against the Communist trick of "colonization."

"Since we are now working in the most complete collaboration and agree on everything, why pick quarrels with us about some secretaries' jobs in this and that local union?"

This sort of talk was accepted in silence. They have put it over again.

I do not know at this moment if the *Vie Ouvrière* (the disguised Communist sheet) will "bend" to the decision of the Confederal Committee and agree to merge with *Syndicats* to become the official weekly of the C.G.T. It seems to me that it is quite likely to accept, especially since it is probable that its "apparatus" will be called on to become the managing apparatus of the future weekly.² What will the change consist of, in that case?

The "colonization" continues. The operation will become easier in the future. The wolf has assumed the guise of a

¹A slip by the editor of the *Peuple*. The committee referred to is still the Confederal committee. It is clear that the "colonization" of the C.G.T. progresses.

²Including its director and its administrator, both of whom hold their mandates from the Central Committee of the Communist Party.

shepherd. It will be easier for him to gain entrance into the sheepfolds. Does he not promise to become gentler than the gentlest sheep?

The comrades of *Syndicats* wrote on the eve of the national Committee meeting that the circular sent by the Confederal Office on the 22nd of July in condemnation of "tendency" activity within our trade-unions was in effect a "stab in a mud puddle." If it is true that the comrades of *Syndicats* launched the idea of merging the two weeklies, they will permit me to say that it was a fine stab in a fine mud puddle. It was hardly worth their effort to poke fun at the Confederal circular.

Then there is the letter of the Federation to the political parties. Imagine Jouhaux writing to Frachon and Racamond (Communist stooges in C.G.T.) begging them to stop the "work" for which they have received a special mandate from the Communist Party! Whom are they kidding now?

The *Syndicats* tendency was to receive its baptismal fire at the meeting of the national Committee. If they had taken our advice, our friends might have saved themselves seeing the grand affair, announced with considerable beating of the tom-tom, turn into so much sewerage water. This is their attitude:

You let bad enough alone and expect the best of the worst. The tactic is dangerous. Where will it lead the C.G.T.? We remember the fate of the C.G.T.U.

WHY C.I.O.? • W. H. Sylvis

IT IS now common to read laudatory allusions to the C.I.O. in the foreign labor press. The significance of the C.I.O. will probably be more correctly appreciated abroad (and in the United States) in about a year's time.¹ Chambelland refers with admiration to the "methods of John Lewis' C.I.O."

Excepting for the convenience of the C.I.O. "war chest"—a tribute exacted from the practically disfranchised and badly underpaid "cochons de payants" making up the membership of the unions headed by the sly businessmen who got together to form the Committee for Industrial Organization—the methods of the C.I.O. are the methods that were always resorted to in the major class-war battles in the American mass-production industries.

The other difference is one that Chambelland will hardly approve of: the attempt at rigorously centralized control of the destinies of the unionized workers by the central office of the Committee, and its program of consequent regulation of the strife over labor conditions through a partnership of the union bureaucracy and government arbitration boards. In other words, the very thing that Chambelland has always fought.

Chambelland little suspects that the story of the C.I.O. is a bit like that of the C.G.T. during the June days, with the American Communists playing, of course, a greatly less important role than they assume in a country like France. There is a world of difference in historic conditions between Roosevelt's second election to the presidency and the Popfront victory that made Blum the premier of France. (There is no question in the American political arena of a military alliance with Lenin's heirs, and pro-Russian Nazism in the United States is still restricted almost entirely to declassed depression-hit intellectuals and to non-American workers.) But both the strike wave on which the C.I.O. is now riding high and the June strikes in

France came about as a reaction to the economic rise out of the depression and expressed the consciousness of the workers that the somewhat improved conditions of production permitted them to dare to ask for the improvement of their lot within the system. The increased demand for labor power that came with the re-awakening and expansion of the world market enabled the workers to ask what they did not dare to ask in face of great unemployment and stagnant industry several years before. (The strike movement really began in 1933, immediately after the depression struck bottom, and coincided with Roosevelt's first attempt to "awaken the home market" through the N.R.A.) The unorganized workers in the so-called mass production industries, where wages were most depressed, where wages most lagged behind the prices of necessities, were breaking into a great national movement of strikes when the C.I.O. introduced itself on the scene. The strike movement was creating its own instruments of battle—new unions that could not be anything but "industrial" unions because they functioned in mass production industries. This developing strike movement was taken in hand by the C.I.O., the "labor arm" of the Roosevelt administration.

The Roosevelt administration represents the social outlook of the "progressive" sections of the American propertied classes (especially the groups that find a center in the Rockefeller holdings). The latter are of the opinion that the best interests of American capitalism require a number of social and political adjustments in line with the pinched conditions of capital accumulation. Among these adjustments are the various social security measures that, applied by the Federal Government and the States, would equalize and rationalize the burden that the propertied people must assume to keep their profit-making business running smoothly, though developing industry needs proportionately fewer and fewer workers, with the result that the share of the total social product usually allotted by the capitalist class to the worker class in the form of wages must be supplemented, even in prosperity, in the form of public aid.

Another very important adjustment that the forward looking section of the American capitalist class wants to see, for the sake of industrial peace and economy, is the rationalization of the bargaining relations between the wage workers and their employers, so that class friction does not lead to major social catastrophes in the future.

The model they have in mind is the arrangement obtaining in Great Britain, where it came into being with the aid of the "social-minded" and "progressive" section of British capital headed by the Mond interests. There practically all labor is unionized in inclusive, responsible organizations headed by dependable and honest office staffs. There is no occasion for petty battles caused by craft "jurisdictional" disagreements. Neither is the setting favorable to "wild-cat" strikes, unofficered by safe leaders. The employers deal with the "responsible" officials of the workers' organizations through Trade Boards, arbitration boards, which are backed by the government through the Ministry of Labor.

Roosevelt aimed to institute such a nation-wide bargaining system between employers and correctly officered worker organizations by means of the labor section of his N.R.A. program. He failed largely as a result of the opposition of the "economic Bourbons," "Tories," "reactionaries," the capitalist interests expressing themselves through bodies like the United States Chamber of Commerce, the American Liberty League, the National Association of Manufacturers.

What Roosevelt failed to do by means of the labor section of the N.R.A. program, was now going to be accomplished by

¹The C.I.O. will be dealt with extensively in a forthcoming issue of the *International Review*.

harnessing the great strike movement that was rising on the horizon because of the increased demand for labor power and the divergence between wages and the risen prices of necessities. The job of riding and harnessing the strike movement was going to be put over by an incorporated combine of labor officials, each a dictator in his own "industrial" union. Since the strike movement and unionization concerned the mass production industries, it was contrary to the interests of the labor bosses of craft unions to join in the venture. Indeed the unionization of the mass production industries, which could not be organized on the basis of the old craft unions, endangered the influence of the craft union bosses ruling the A. F. of L. The job of harnessing the strike movement of the hereto unorganized workers in the mass production industries, in behalf of ultimate industrial peace, could only fall to a caucus of labor nabobs like Lewis, Gorman, Dubinsky, Hillman, etc., each of whom sits as the unchallenged dictator of a mass-production—industrial—union.

The C.I.O. organized its activity in a very business-like manner (and that is what Chambelland admires). Publicity was put in the hands of professional experts. Field work was entrusted to young, capable intellectuals set loose by the social plowing-up that was accomplished by the depression. While wise use was made of the spontaneous action of the workers during the strike, all actual organizational and jurisdictional control was centralized in the C.I.O. offices. There was a bit of trouble in that regard within the "Federal" unions, that is, those mass production labor organizations that were formed by the workers during the first post-depression strike wave that swept the country under the N.R.A. and which were merely taken over by the C.I.O. In the automobile industry the matter of control is also being complicated by the fact that a number of the intellectuals used as field men by the C.I.O. offices were Communists or unwitting puppets who have been socially "isolated" by Communists. As a result there is a tussle going on, between the C.I.O. agents pure and proper and the Communist agents, over the share of the pie to be allowed to the latter.

The program of the C.I.O., dear comrade, is the centralized organization of the workers in each industry unionized and further top centralization in a national office. This centralized control of the workers is to be perfected by means of the check-off system of collecting dues. The mine workers under the heels of their capitalist employers and the tried and true labor lieutenant of these employers, John L. Lewis, know what it means to be "cochons de payants." In none of the organizations whose rulers got together to form the C.I.O. is there a real election and rank and file control. All the charter members of the Committee have held their fat jobs for tens and tens of years by the strength of bureaucratic and strong-arm machines that brutally beat down any opposition from the rank and file.

The program of the C.I.O., comrade, is arbitration under government supervision, the very thing you fear. The C.I.O. program has not yet been completed. The whole of the steel industry and the whole of the automobile industry have not as yet been organized under their control. But in the areas under its control, "irresponsible" strike action by the workers is already being suppressed by the C.I.O. officers.

The quarrel of the C.I.O. members with William Green and Co. is a quarrel between old-fashioned labor lieutenants of capitalism, who marshal waning craft organizations, and up-to-date labor lieutenants of capitalism, who do business in the same mass production industries that are now seething with worker discontent. Do not be misled by the heat of the quarrel. It is a quarrel over influence and spoils.

The talk by Lewis and his partners of a Third Party, a Labor Party, does not make this less true. This talk is an echo of the struggle going on within the official camp of the Roosevelt backers, which is not homogeneous. The C.I.O. members are nearer Roosevelt than the Democratic politicians who opposed the Wagner Act and the Wages-and-Hours Bill. The threat of a third party is a threat against the anti-Roosevelt elements within the Democratic Party. The C.I.O. has gained mass power and political prestige.

The forces that the C.I.O. presumes to manipulate are the mass forces of American labor. American labor, apparently still doesn't know "from nothing." If you take appearances at their face value, it would seem that the workers themselves have been gotten to believe that their strike action and unionization were gifts handed down to them by the businessmen comprising the Committee for Industrial Organization. But will the C.I.O. entrepreneurs be able to put it over for any length of time?

The "Bourbon" section of American capitalism will listen only to the voice of the most egregious compromise. The spirally accelerated technical progress of industry, bringing a progressively higher productiveness of labor and therewith a greater pressure of the laborers on the means of employment, is especially marked in the United States, and will be more so in the future. The prosperity we have entered on does not and will not work a great change in the size of the army of unemployed. As the situation of the employed workers gets worse, though "times get better" with the further opening up of the world market, the mesh of Lewis' "industrial" unions will hardly suffice to hold the workers. The competition for jobs will continue to be sharp. The role of the labor lieutenants will be obvious. In spite of all precautions by "progressive" capitalists, we are in for a lot of "labor anarchy."

Upon first glance, Lewis and Company have the appearance of crusaders come to free the holy places of industry for the poor workers. That is the description of the C.I.O. offered by an assortment of professional and amateur parasites, dabbling in social relations, who range from the yellowest of labor lawyers to the lobster-red of the pro-Russian Nazi, now blowing hot and cold a new, perruqued and lace-collared, Lenin's Spirit of 1776.

Lewis' enterprise seems to offer all of them a chance to advance their own business. They hope that the C.I.O. will lay the egg and hatch the chicken of a Labor Party.

Some turn with envy to the memory of Henderson, Thomas and McDonald, who arrived at premierships and ministries—though they do not believe the Englishmen were very clever and suspect they had not made the most of their opportunities. All know they will never get anywhere personally by remaining in the existing "worker parties." "The S.P. of A. appeared to suggest in 1912 that it had the capacity to grow. But history has proved that it will irreparably remain a small sect. The American masses don't like the words 'socialist' or 'communist.'" Thus spoke a big and fat American Laborite. Fully three years ago the Communist Party of the United States received the order to naturalize itself, to become American. The clerks in charge of the C.P.U.S. have been laughed at, reviled, spat on, everytime they came to Moscow to report. They were not American enough for the Russians. The U. S. Communist officials, who don't want to suffer political execution the next time they report in Moscow, hope hard and earnestly that the C.I.O. will lay a real American Labor Party. Within a sizable Labor Party, the Communists could wade in Americanism, learn to chew tobacco like most of the American Senators and produce,

in time for the next World War, a new and uniquely American version of the Popular Front.

Is it possible that the C.I.O. outfit—of which Lewis is the most imposing paunch but not the brains—really think that the time has come for the trade-union officialdom of the United States to negotiate with the capitalists of their country through their own, independent party? Do they believe that the time has come for them to part ways with the Democratic Party, just as the British trade-unions once parted ways with the British Liberals?

I doubt it. It is more likely that all the hopeful Laborites and the Bolsheviks in quest of Americanization will find themselves led by the C.I.O. into a reorganized Democratic Party. And in that case, I assure you, none of the practical revolutionists will feel cheated. That's where they all really want to go.

THE EATERS OF SURPLUS VALUE

• Jonathan Ayres

Previous installments of this analysis of contemporary capitalism appeared in the November, January, May and June issues of the International Review. In the next installment Mr. Ayres refers to the specific methods of appropriating surplus value now dominant in Nazi Germany and Soviet Russia.

WE HAVE seen that in capitalism, as under chattel slavery and serfdom, the actual producers of useful things create a surplus beyond what they get for their own needs. As under slavery and feudalism, this surplus provides an income to various sets of persons, who one way or another manage to obtain a living without producing anything themselves. But while the relation between the exploited and exploiters was clear in its ancient and feudal forms, it is disguised in our society by the specifically capitalist manner of allotting their means of subsistence to the workers and by the manner in which the non-producers of capitalism appropriate the surplus product they live on.

The exploited in capitalist society are legally free men, though this freedom suffers serious restriction under the State-monopolist versions of capitalism. Both the producers and exploiting non-producers meet in the social arena as political equals. In State-monopolist capitalism, they meet even as "fellow workers." The incomes of the various non-productive groups do not, at first glance, appear to originate in the exploitation of the workers. Even the working slave's allotment appears as a free man's "income." The relation between exploiter and exploited is hidden in capitalist society by the commodity form of the product. All manner of persons—investors, managers of industrial and commercial establishments, bankers, salesmen, politicians, policemen, soldiers, lawyers, priests, poets, prostitutes and productive workers—make a living in connection with the production and distribution of commodities.

What are commodities? They are products of specific labor, as cloth is of weaving and a coat is of tailoring, which can be exchanged because they have use value for other people than the producers and can be mutually compared in exchange "in so far as they possess the common quality of human labor in general."¹

Commodities exchange on the principle of value for value. The value measured here is the average human labor, the

socially necessary labor that goes to make each of the products exchanged. Here is a crystal-clear illustration, which serves well, because of its simplicity, even today, when horse shoes are used mostly for pitching and when it is not so much the worker's skill that counts for superiority in production as improved machinery and resulting intensity of labor: "An unskilled smith might take as long to make five horse shoes as it would take a skillful smith to make ten. But society does not fix the price according to the accidental lack of skill of the one smith. It recognizes only human labor in general, the human labor of the ordinary normal skilled smith. Each of the five horse shoes then made by the first does not have any more value than each of the other ten which were made in the same time as the five. Only so far as it is socially necessary does private labor comprehend human labor in general."²

While the value measured in the exchange of commodities is the average human labor—socially necessary labor—that goes to make the products exchanged, we do not and cannot in our society express the value compared in measurements of labor time. In commodity production, dominated by the conditions of the market, that is unknown to the buyer. The value of a product brought to market is not expressed directly in hours of labor, but indirectly, in a roundabout fashion, in terms of the commodities with which it exchanges. This process is greatly simplified by having the ratios of exchange stated in the terms of one commodity—gold—which as "money" is the convenient universal (common) exchange value of all products. So that instead of saying that a given piece of cloth exchanges in equal ratio for a certain pair of boots, we say that both are worth \$5. Both are worth that much gold. \$5 is the price of each of these articles. The price of a commodity is its market value, its exchange value in gold, in money.

The process of making useful things is production. The distribution of useful things—and therefore commodities—by means of money among their consumers is their circulation. It is obvious that the mere circulation of commodities through the sale-and-purchase mechanism does not create use-value. It does not create value. It does not "produce." In the process of circulation commodities are merely converted into other and different commodities. I sell a carload of shoes. Doing so, I convert the shoes into money. I take the money and buy with a part of it leather and the services of shoe-workers. I thus convert my money into commodities. The workers' labor force and the leather pass through the process of production. The result is salable shoes. I sell the shoes, and have money again. More money.

All kinds of commodities are brought to the market. One of these is the labor-power brought for sale by the propertyless of capitalist society. With nothing to sell but their capacity to do useful work, the latter seek an opportunity to exchange their single commodity for money, with which to buy food, clothing and shelter for themselves and their dependents.

On the market also appear men with money, or their hired or sharing representatives. They are interested in obtaining the two necessary elements of production: material commodities, as machinery, raw material, housing; and labor-power.

They buy the first kind of commodities at their *production prices*, representing the value of these commodities as it appears under the stress of the competing market, in which the norms of what is socially necessary labor for the production of this and that commodity are constantly shifting.

¹Anti-Duehring, p. 251.

²Anti-Duehring, p. 251.

They buy the second element of production, labor power, with the wages they pay to the workers. Wages bear the appearance of a "certain quantity of money paid for a certain quantity of labor," but really represent the market value of the commodity labor-power. The value of this commodity, like the value of all commodities, is fixed by "the amount of labor necessary for its production and reproduction." In the case of labor-power, this means "the labor time necessary for the procuring of the means of livelihood required to maintain the laborer in a condition to continue laboring and reproduce his kind," and as such varies with occupational, national and historic standards.

The hired workers apply their labor-power to the material means of production. They work. By means of their labor, they transform the material means of production and create greater value in the form of the new commodity.

The new commodity is taken to the market by the purchasers of labor power or by their economic partners, the commercial capitalists. It is sold for more than it cost to produce. It is sold at a profit, that is, at an excess of selling price over the purchasing price of the two elements that were used in the production of the new commodity.

We saw how this increase in money—therefore, increase in value—comes about. It cannot be the result of the mere exchange of commodities, of purchase and sale. And it cannot be, taking into account the sum of all these transactions, the result of cheating, of extortion.

We saw that the laborer creates the new commodity, having greater value than the commodities that went into its making, by pumping his labor into the material means of production. He is paid wages for ten hours of work. But when he has applied his labor power to the material means of production, say, for five hours, he has already filled them (in the form of a part of the new product) with as much value as is represented monetarily by his wages.

But the worker does not stop there. He was hired to do ten hours' work. If the value of the product of the first five hours of his work is represented by the sum of money he receives as wages—enabling him to procure the means of livelihood he needs to continue in the condition to work—then the remaining five hours of his work stand for labor he is not paid for.

With this unpaid labor, he produces, as part of the finished new commodity, value that is, as far as he and his kind are concerned, *surplus* value. It is in order to get this additional value that the moneyed masters of production go to the market to buy labor power—a commodity "whose use-value has the peculiar property of being a source of value, whose consumption would imply the expenditure of labor and thus be value-producing."

The material means of production in which the worker performs his labor of transformation are, of course, only the result of similar past transactions between buyers and sellers of labor power. And such is the source of the wages paid by the employer to the worker, usually before the specific product is realized in money through sale.

In other words, as a class, the productive workers "make a living" for the entire population of our society. In the form of surplus value a part of the total social product, is shared by the masters of them by the masters of the conditions of production. The rest, the value of the total social product, is shared by the masters of capitalist production with their servants, partners, guests and parasites.

WE KNOW surplus value under the names of industrial profit, commercial profit, profit of enterprise, interest, ground-rent, wages of superintendence, dividends, royalties, State revenue. It also appears in certain secondary forms: in the incomes of writers, professors, officials, gamblers, State employees, prostitutes, the revenue of the churches, etc. These are all derived shapes taken by "profit"—surplus value as it is realized by the individual investing capitalist entrepreneur. To the latter, the additional value he pockets in the form of money through the sale of the product of his enterprise does not appear to be the monetized product of the unpaid labor of his productive wage workers, and therefore the excess of the value of the commodity over its cost price. It appears to him as the "product" of the entire capital invested (material means of production plus wages) and seems to arise out of the sale itself, as an excess of the selling price of the commodity over its value.

This mystification is helped along by the usual conception of wages. Wages are really the price paid for the use of the worker's labor-power. They, therefore, equal only a part of the new value created by the worker. But wages are paid and accepted as the price of a certain amount of labor done. The entire labor of the worker seems to be paid for. The fact of the worker's exploitation is obscured. His labor is considered, together with the raw material used in production, as the "circulating" part of the capital invested, in contradistinction to "fixed" capital, that part of the total capital which is used up more slowly in the production of the new commodities, such as machinery and housing. The surplus value, instead of being recognized as originating from the unpaid labor of the worker, is described as the result of whole capital invested.

Therefore, in calculating the extra income resulting from his profit-making transaction, the master of the capitalist enterprise does not compare the paid labor of the worker to his unpaid labor. That would describe the rate of surplus-value, the rate of the exploitation of the worker's labor. Instead, he calculates his gain by finding the "rate of profit," that is, by finding the ratio of the surplus value, realized in the sale, to his total investment, his total capital.

Under the more or less free conditions of the "classic" capitalist market, where competition between the different enterprises is not greatly hampered by branch or national monopoly, and where capital is free to migrate from industry to industry in quest of the highest rates of profit—the various rates of profit are equalized into an average rate. (Through attempts to regulate prices of production and the migration of capital in all-inclusive, national State monopoly may suppress, or appear to suppress, the effects of competition. But we must realize that in such a case, the total State enterprise finds itself in the situation of a national Trust of Trusts competing in the world market against all other capitalist enterprises. The element of competition and the effects of competition are not absent. They appear in other forms, in other degrees. That is the story of Russia's experience with the regulation of prices and the regulation of the rouble. That explains Stalin's and Molotov's repeated threats and wails about the lagging *profitability* of certain branches of the Soviet Trust of Trusts . . . As has just been suggested, the other side of this equalization of rates of profit by competition is the conversion of the values of commodities into their prices of production, at which the commodities actually sell. Both phases will be discussed in connection with the study of the situation of prices and profit under private-monopolistic and State-monopolistic capitalism.)

The several kinds of privileged income that were enumerated

above are merely different methods of appropriating the surplus-value created by the class of productive workers. The surplus-value exists in the commodities at the completion of the process of production. The commodities produced usually reach the consumer through a complex system of commercial middlemen. When the industrial entrepreneur sells his product to the middleman and pockets his profit, he realizes—converts into money—only a part of the surplus-value contained in the commodity. For his selling price is lower than the selling price asked later by the middleman. The entire surplus value of the commodity (or as much as is allotted to it in the market by the equalization of profit into an average rate) is realized when the commodity is sold to the final consumer.

The masters of production, and the overseers employed by them, are the first to appropriate the surplus product of the workers' labor. But they do not take all of it. The rest of the surplus-value is then sopped up by the commercial entrepreneur and (through their receipt of wages, commissions and bonuses) by the staff the commercial capitalist employs to sell, to advertise, to buy, to receive and pay money, to discount bills, to correspond—that is, to perform all the services that enable him to realize as much surplus value as possible with the least expense. By the way of the industrial and commercial capitalists, portions of the surplus value that has been converted into money flow to the other non-producers—to bankers and their employees, who take their share in the form of interest on money loaned to the industrial and commercial enterprises; to the State apparatus; to the landowners; and to all the worthies receiving their income as gifts from the masters of the capitalist economic process.

We saw that circulation, the conversion of the value of the product from its commodity form into its money form and vice versa, is not productive of any use-values. "The conversion of commodities (products) into money, as of money into commodities (means of production) is a necessary function of industrial capital and therefore a necessary operation for the capitalist, who is but personified capital endowed with his consciousness and will. But these functions do not create any value, nor do they produce any surplus value . . . The merchant merely continues these functions in the sphere of circulation."³

(This chapter will be continued in the immediately following issue. We appreciate the attitude of a number of readers who wrote us that the Ayres series were "too valuable to be skipped" every other issue. We promise that it will not happen again. It is bad enough that we are obliged to carry over chapters from issue to issue. But the fault does not really lie at the door of the editorial board. We again take the opportunity to point out that the *International Review*, in its present format, is too small for its purposes. Sixteen pages is not enough. You can correct this defect. You can do so by contributing as much as you can afford to the I. R. Sustaining Fund and by getting your friends and acquaintances to subscribe. There is no other way. For there are no sugar daddies on the political Broadway for a publication that has the viewpoint of the *International Review*. Here and there a man of property is stricken with pro-Labor romanticism. But he spends his money on something fashionable, on radical opera, on causes and publications that blaze with the pretentiousness of the innocuous. The *International Review* means something else. Capitalism, in one form or another, is still very popular. You, a serious reader of the *International Review*, can help. Contribute to our Sustaining Fund. Ask your friends and acquaintances to subscribe.)

³Capital, page 341, vol. III.

THE SOCIAL ELEMENTS OF BOLSHEVISM • Rudolph Sprenger

*This is an excerpt from an unpublished work entitled "Social Elements of Bolshevism." Sprenger's essays, under various pseudonyms, began to appear in exile publications immediately after Hitler's rise to power. His studies, dealing with the major issues facing the movement for socialism, are a sign that the fog which descended on the politically aware sections of the working class after the last World War is at least starting to clear. The "Social Elements of Bolshevism" is obviously a work of fundamental and lasting significance. Another chapter will appear in the next issue of the *International Review*.*

THE HISTORIC premises of the Russian Revolution were: the growth of industry, the quickened political activity of the working class, the unbearable situation of the peasants. The immediate possibility to carry out the Revolution and shatter the Tsarist system was supplied by the following conditions: the great demands made on the national economy and the population during the World War, the general organization of the peasants in the war-time army, the arming of the workers. The revolution was carried out by peasant and proletarian numbers, unaided by the Russian bourgeoisie, which could no longer part ways with Tsarism.

"For us, the victory of the bourgeois revolution as a victory of the bourgeoisie is impossible," observed Lenin in 1908. He had in mind the preponderance of the peasant population, the semi-feudal oppression under which the peasants lived and the power and self-consciousness of the Russian proletariat. Though he stressed the peculiar character of the coming revolution, he took care to add the very explicit: "This trait does not remove the bourgeois character of our revolution." (*Collected Works*, vol. xii, page 252.)

The Russian Revolution was a bourgeois revolution without the bourgeoisie. But notwithstanding its fundamentally peasant-bourgeois tendencies, it cannot be likened to the bourgeois revolutions of the 17th and 18th centuries. For while the classes to the rear of the Russian bourgeoisie pushed spontaneously forward, the Russian bourgeoisie itself slipped into the limbo that swallowed up the Tsarist State. The efforts of the Russian peasants and the Russian workers, on the other hand, fused at the given historic moment, combining into one the elements of two revolutions: bourgeois and proletarian.

In an apt characterization of this situation, Trotsky wrote: "In order to realize the Soviet State, it was necessary to have come together and mutually penetrate two factors of quite antagonistic historic nature: the peasant war, representing a movement that is typical of the dawn of bourgeois development, and the proletarian revolt, already announcing the decline of bourgeois society." (*February Revolution*, page 60.)

So that as a result of the contemporary existence in the country of the feudal and capitalist economic modes, the antagonistic forms of two revolutions united in a single social movement, creating a new, historically distinctive, type of revolution: the revolution of Russian society, which, sprawling within the confines of two continents, joined in itself the social movement of two continents.

This union was full of contradictions. The peasants strove for private property. They had the political outlook of the petty bourgeois. In their struggle against the existing political and

social system, they developed a new property ideology. The action of the workers, on the other hand, moved in the direction of the abolition of capitalist private property, and they developed in their struggle the elements of communist class behavior. The peasants could not hold down the workers to the level of a bourgeois agrarian revolution. Neither could the workers raise the peasants to the level of the communist revolution. In the Russian Revolution the peasants' desire of private property and the proletariat movement for its abolition met. Neither of these classes could succeed acting by itself. The revolution was to lead to a conclusion that was different from that which was sought by either class.

To have the revolt of the Russian masses meet with victory, there had to be built a bridge between the peasantry and the proletariat, by the way of which the interests of the two classes could find adjustment. Because their aims were contradictory, they threatened to tear apart Russia immediately after the Tsarist vise that held the country together was shattered. A struggle between the peasantry and the workers could have only one end: the defeat of the revolution. The revolution needed a new clamp to hold together the two antagonistic elements that were making it. Tsarism rested on two classes. To solve its historic tasks—which had been slighted by the Russian bourgeoisie but could not be fulfilled by the proletariat—the Russian Revolution had to bring forth a new political regime, also basing itself on two classes.

Who could create this instrument of cohesion? Who could join and hold together the working class and the peasantry of Russia in spite of their economic antagonism? A peasant party could not do that; a peasant party cannot solve such tasks. Neither could it be accomplished by a proletarian party. The party that created this clamp ceased thereby to be a communist party, since this clamp could only be formed through a compromise between the interests of the proletariat and the interests of private property.

A victorious proletarian class could only come to an understanding with middle social layers, like the Russian peasantry, under a revolutionary class dictatorship that assured the communist direction of the revolution. The conditions for such a revolutionary class dictatorship were missing in Russia. The proletariat was not in the position to take the peasantry in tow. A dictatorship of the workers over the peasants was impossible in Russia. Possible was only a compromise between the interests of the two classes. The embattled Russian workers did not enter into this compromise voluntarily. They were pushed into it by circumstances. The forces that mastered these circumstances politically could not be proletarian. They had to be forces that could take a general (non-class) view of the social tasks of the revolution and possessed the determination to carry out these tasks to their last consequence.

Such forces were found in Russia. They hailed from the ranks of the *intelligentsia*, the intellectuals, who, considered as a social layer were oppressed politically while the workers and peasants reacted to economic oppression. Only from among the intellectuals of Russia could spring the forces that, rising high above the level of their class, comprehended what were the needs of the Russian Revolution and therefore swung themselves to its command.

If nothing less than the common effort of a bloc of the peasantry, workers and intellectuals could assure the victory of the revolution, the function of commanding this bloc could only fall to the most consistent and revolutionary wing of the *intelligentsia*, whose parties fought among themselves for the hege-

mony of the revolution. No other elements were in the position to master politically and direct the blindly moving mass forces of the revolution. The sharpest weapon of the Russian Revolution was the working class of Russia. On the other hand, the mass basis of the victorious revolution was supplied by the peasants, who, by rising, pulled the ground, their social base, from under Tsarist absolutism and the landed nobility.

Leadership: the intellectuals. Weapon of attack: the proletariat. Mass-basis: the peasantry. Within this triangle the Russian Revolution unrolled. Without the understanding of this grouping of forces there can be no understanding of the nature, course and results of the Russian Revolution.

The party which leaped to the head of the Russian Revolution and clamped together the peasant revolt with the rising of the workers was Lenin's party, the party of the Bolsheviks. Bolshevism was the political expression of those revolutionary intellectuals of Russia who understood the tasks of the moment and, with indomitable energy and ruthless consistence, set themselves to carry these out.

Translated by Integer

MARX AND THE STATE

• Martov

THE PARTISANS of the "pure soviet system" (an expression current in Germany) do not as a rule, realize, that the fundamental question in the methods of contemporary Bolshevism is the organization of a minority dictatorship. On the contrary, they usually begin by sincerely looking around for political instruments that would best express the genuine will of the majority. They arrive at "sovietism" only after repudiating the instrument of universal suffrage for the reason that it does not appear to furnish the solution they are after.

Psychologically the most characteristic thing about the rush of the "extreme leftists" toward "sovietism" is their desire to jump over the historic inertia of the masses. Dominating their logic, however, is the idea that Soviets constitute a new, "finally discovered" political mode that is said to be the specific instrument of the class rule of the proletariat just as the democratic republic is called the specific instrument of the rule of the bourgeoisie.

The idea that the working class could only come to power by using social forms that are absolutely different, even in principle, from those assumed by the power of the bourgeoisie, has existed since the dawn of the revolutionary labor movement. We find it, for example, in the fearless propaganda of the immediate predecessors of the Chartist movement: the construction worker James Morrison and his friend, the weaver James Smith. At the time when the advanced workers of the period were only beginning to conceive the idea that there was the need of seizing political power and to win universal suffrage in order to accomplish the latter, Smith was already writing in his journal, *The Crisis*, April 12, 1834:

"... We shall have a real House of Commons. We have never yet had a House of Commons. The only House of Commons is a House of Trades, and that is only beginning to be formed. We shall have a new set of boroughs when the unions are organized: every trade shall be a borough, and every trade shall have a council of representatives to conduct its affairs. Our present commoners know nothing of the interests of the people, and care not for them... The character of the Reformed Parliament is now blasted, and like the character of a woman

when lost, is not easily recovered. It will be substituted by a House of Trades."¹

Morrison wrote in his publication, *The Pioneer*, May 31, 1834:

"The growing power and growing intelligence of trade unions, when properly managed, will draw into its vortex all the commercial interests of the country, and, in so doing, it will become, by its own self-acquired importance, a most influential, we might almost say *dictatorial* part of the body politic. When this happens we have gained all that we want: we have gained universal suffrage, for if every member of the union be a constituent, and the Union itself becoming a vital member of the State, it instantly erects itself into a House of Trades which must supply the place of the present House of Commons, and direct industrial affairs of the country, according to the will of the trades that compose the associations of industry . . . With us, universal suffrage will begin in our lodges, extend to the general union, embrace the management of trade, and finally swallow up the political power."²

Substitute Soviet for Union, executive committee ("ispolkom") for council of representatives, Soviet congress for House of Trades, and you have a draft of the "Soviet system" established on the productive cells of the base.

In his polemic against the *trade-union* conception of the dictatorship of the proletariat, B. O'Brien, who later headed the Chartists, wrote:

" . . . Universal suffrage does not signify meddling with politics, but the rule of the people in the State and municipality, a Government therefore in favor of the working man."³

Basing itself largely on the experience of the revolutionary labor movement in England, the 1848 communism—scientific socialism—of Marx and Engels, identified the problem of the conquest of State power by the proletariat with that of the organization of a rational democracy.

The *Communist Manifesto* declared: "We have already seen that the first step in the working-class revolution is raising the proletariat to the position of a ruling class, the conquest of democracy."

According to Lenin the *Manifesto* poses the question of the State "still extremely in the abstract and employing ideas and expressions that are quite general" (*State and Revolution*, page 29, Russian ed.). The problem of the conquest of State power is presented more concretely in *The 18th Brumaire*. Its concretization is completed in *Civil War in France*, written after the experience of the Paris Commune. Lenin is of the opinion that, in the course of this development, Marx has been led precisely to that conception of the dictatorship of the proletariat which forms today the basis of Bolshevism.

In 1852, in *Eighteenth Brumaire*, Marx wrote:

"Every previous revolution has brought the machinery of State to a greater perfection instead of breaking it up."

On the 12th of April, 1871, in a letter to Kugelmann, he

¹Quoted by M. Beer in his *History of British Socialism*, page 265 of German ed.

²M. Beer, page 266.

³M. Beer, p. 266. From *Poorman's Guardian*, Dec. 7 and 21, 1833. The 1937 reader will no doubt find more of the quotation interesting:

" . . . What seek the trade unions? Increase of wages and diminution of hours of labor; that is to say, to work less, and, to get more for it—in other words, to produce less wealth, and to enjoy a larger portion of it. Who does not see that this is to attack "property"? But do we find fault with this? Far from it! To attack "property" is to attack robbery. But the question is how are we to attack the capitalist in the safest and most expeditious manner? We cannot attack him by law, for he holds the "law" in his own hands . . . "

formulated his viewpoint on the problem of revolution as follows:

"If you look at the last chapter of my *Eighteenth Brumaire*, you will see that I declare the next attempt of the French Revolution to be not merely to hand over, from one set to another, the bureaucratic and military machine, as was the case up to now, but to shatter it. That is precisely the preliminary condition of any real people's revolution on the Continent. It is exactly this that constitutes the attempt of our heroic Parisian comrades." (*Neue Zeit*, XX. i., 1901-2, p. 709.)

In this spirit, Marx declared (*Civil War in France*) that the Commune was: "a republic that was not merely to suppress the monarchic form of class domination but the class State itself."

What was then the Commune?

It was an attempt to bring about the effective and rational establishment of a democratic State by destroying the military and bureaucratic State apparatus. It was an attempt to establish a State based entirely on the power of the people.

As long as he speaks of the destruction of the bureaucracy, the police and permanent army, as long as he speaks of the electiveness and recall of all officials, of the broadest autonomy possible in local administration, of the centralization of all power in the hands of the people's representatives (thus doing away with the gap between the legislative and executive departments of the government, and replacing the "talking" parliament with a "working institution"); as long as he speaks of all of this in his defence of the Commune, Marx remains faithful to the conception of the social revolution that was presented in the *Communist Manifesto*, where the dictatorship of the proletariat is identified with the "conquest of democracy." He therefore remains quite logical with himself when in his letter to Kugelmann, quoted above, he stresses that the destruction of the bureaucratic and "military machine" is the "preliminary condition of any real people's revolution on the Continent" (*our emphasis*.)

On this point, it is interesting to compare the experience gathered by Marx and Engels from the events of 1848 with the conclusions drawn by Hertzén. Hertzén wrote in his *Letters from France and Italy*:

"When universal suffrage is found alongside the monarchic organization of the State, when it is found alongside that absurd separation of power that is so glorified by the partisans of constitutional forms, when it is found alongside a religious conception of representation, alongside a police centralization of the entire State in the hands of a cabinet—then universal suffrage is an optic illusion and has about as much value as the equality preached by Christianity. It is not enough to assemble once a year, elect a deputy, and then return home to resume the passive role of administered subjects. The entire social hierarchy should be based on universal suffrage. The local community should elect its government and the department (province) its own. All proconsuls, made sacred by the mystery of ministerial unction, ought to be done away with. Only then will the people be able to exercise effectively all their rights and proceed intelligently with the election of their representatives to a central parliament." The bourgeois republicans, quite on the contrary, "wanted to maintain the cities and municipalities in complete dependence on the executive power and applied the democratic idea of universal suffrage to only one civic act." (Hertzén, *Works*, Pavlenkov, ed., vol. 5, pp. 122-123)

In other words, Hertzén, like Marx, denounced the pseudo-democratic bourgeois republic in the name of a republic that was genuinely democratic. And like Hertzén, Marx rose against universal suffrage to the extent that it was no more than a

deceptive appendix hooked on the "monarchic organization of the State," a legacy of the past. He opposed it because he was for a State organization built from top to bottom on universal suffrage and the sovereignty of the people.

Commenting on Marx's idea, Lenin observed quite correctly (*State and Revolution*, page 367, Russian ed.):

"This could be conceived in 1871, when England was still the pattern of a purely capitalist country, without a military machine and, in a large measure, without a bureaucracy. That is why Marx excluded England, where a revolution, even a people's revolution could be imagined, and was then possible, without the preliminary condition of the destruction of the State machine since the latter was available, all ready, for it."

Unfortunately, Lenin hurried to pass over this point without reflecting on all the questions posed to us by Marx's restrictions.

According to Lenin, Marx admitted a situation in which the people's revolution would not need to shatter the available ready State machinery. This was the case when the State machinery did not have the military and bureaucratic character typical of the Continent and could therefore be utilized by a real people's revolution. The existence, within the framework of capitalism and in spite of the latter, of a *democratic apparatus of self-administration* which the military and bureaucratic machine had not succeeded in crushing was evidently exceptional. In that case, according to Marx, the people's revolution should simply take possession of that apparatus and perfect it, thus realizing the State form that the revolution could best use for its creative purposes.

It is not for nothing that Marx and Engels admitted theoretically the possibility of a *peace* socialist revolution in England. This theoretic possibility rested precisely on the democratic character that the British State seemed to show at that time.

—Translated by Integer

(Martov's discussion of "Marx and the State" will be continued in the next issue. This is the first, and authoritative, English version of Martov's essays on the "Socialist Revolution and the State." This essay, like the preceding, were written in 1919. Other studies by Martov on the same topic appeared in the *International Review* of February, April, June, 1937. New subscribers are invited to ask for these copies when sending in their subs. Write to *International Review*, P. O. Box 44, Sta. O, New York, N. Y. Sub rates: \$1.50 for 12 issues and \$1.00 for 8 issues in the U.S.; \$.75 for 12 issues and \$1.25 for 8 issues elsewhere.)

books

REFORM OR REVOLUTION By Rosa Luxemburg
Three Arrows Press, New York

REVIEWED BY E. L. ROOF

This book is the classic statement of the position of scientific socialism on the questions of capitalist development, "historic necessity," social reforms, the State, democracy and the nature of the proletarian revolution.

Considered from the angle of its effect on the German Social-Democracy, Luxemburg's argument seemed to have been a losing argument. There are two different editions of *Reform or Revolution*, one published in 1899 and the other in 1908. By the time the second addition appeared (published, as the first, by the author herself), the "opportunists" occupied all the important Party positions and the ideas set forth by Bernstein in the book against which Luxemburg's polemic was aimed (*Die Voraus-*

setzungen des Sozialismus und die Aufgaben der Sozialdemokratie) were recognized as the official principles of the German Social-Democracy. Luxemburg ends her criticism by recognizing Bernstein's book as the symptom and proof of the bankruptcy of reformism. She was badly mistaken. She was fooled by appearances and her inability to understand that the Social Democratic program of reforms was not so much a tool wielded by the socialists as the genuine expression of the outlook of the labor movement of her time. The Social-Democracy went the way of Bernstein. For in spite of the veneer of "radicalism" supplied to it by Kautsky's scholarship, it was the viewpoint of Bernstein and his revisionists that represented the real outlook of the German workers and small property-holders who expressed the desire to better their condition in capitalism through the medium of the German Labor Party.

But in the arena of history, Rosa Luxemburg's thesis, the thesis of revolutionary socialism, was corroborated to minute details. The course of capitalist development has shown itself to be quite Marxist. In face of the events of the last three decades, the last World War, the consequent period of "peace" without peace, the great economic debacle, the impending new World War, it is difficult even for the cleverest apologists of the status quo to promise a gradual adaptation of capitalism, to speak of the suppression of crises, to suggest the possibility of a truce of classes in a static capitalist millennium.

Yet it is untrue that the old illusions are dead. They have been dressed up in new clothes. They have been given new names. They have even been touched up with red, and put in the service of a great national revolution and a powerful State. But the old illusions are still with us.

Roosevelt. Blum, "Growing into socialism" in Sweden on the basis of orders flowing from the international armaments race and decently, quietly starving one-child worker families. The State directed capitalism of post-war Russia, an historically legitimate heir to Tsarism, which so many practical Western intellectuals are in the habit of describing as socialism.

Rosa Luxemburg demonstrated the falseness of all these dreams and pretensions. She showed that none of them can take the place of and avoid the actual abolition of the system of wage labor.

Yet there are today great organizations of cynical Bernsteins, Webbs and Vosses, attracting followings that the old, undoubtedly earnest, fellows never dreamt of.

When in the history of the labor movement was there as huge, as wily, as efficient a power as the C.I.? When were panicky, worried workers and intellectuals pulled hither and thither by false causes as generally as they are today by a People's Front; by the prospect of the coming war for democracy; by the program of growing into socialism in Sweden on the basis of a slim pre-war prosperity; by the hope of approaching something similar under Roosevelt's guidance; by the unwavering, ours-not-to-reason-why belief that, with the aid of shooting squads, suffocation chambers, perfected publicity and bureaucratic-military regimentation, all social problems are being solved for the 170 million wards of the Soviet State?

The historic movement of capitalism gave the lie to Luxemburg's theoretic opponents, emphasizing the correctness of her argument. Yet the old illusions are still with us. They're more formidable than ever before.

Of course, history constantly disproves the new-old illusions. Capitalism will continue to do as capitalism does, in a spirally aggravated fashion. But the lessons provided by experience are costly. The new-old illusions delay the spread of socialist under-

standing. For this reason, especially, the popularization of Luxemburg's pamphlet should become an important detail in the program of activity of a socialist. Many workers and intellectuals, now charmed by the hail of the various repair gangs of capitalism, can be drawn into the movement for socialism by being introduced to Luxemburg's crystal-clear reasoning.

In her hesitating, almost fearful, preface of 1899, Rosa Luxemburg wrote: "The daily struggle for reforms, for the amelioration of the situation of the working people within the framework of the existing social order and for democratic institutions, constitutes even for the Social-Democracy the only means of engaging in the proletarian class struggle and of working in the direction of the final aim, that is to say, toward the conquest of political power and the suppression of the system of wage-labor. Between social reforms and the revolution there exists for the Social-Democracy an indissoluble bond. The struggle for reforms is its means; social revolution, its aim." We know that the apparent means were the aim. Her nervous apology was in itself an indication of the political level of the membership of the organization which *Reform or Revolution* was intended to influence.

In the same apologetic preface she wrote: "In the controversy with Bernstein and his partisans, each Party member ought to realize that it is not a question of this or that method of struggle, or the use of this or that set of tactics, but a question of the very existence of the socialist movement." However, the consequent victory of the "opportunists" made clear that the existence of the socialist movement was and is basically a question of the choice of this or that method, of this or that set of tactics. Political means used by the working class organizations have their logic. The means chosen affect or even remake the aim. The tone of the preface of 1899, its peculiar trepidation, suggest that the author suspected that Bernstein's way would win the Party. Bernstein's way was the way of the Social Democratic Party.

But in the text of *Reform or Revolution*, Rosa Luxemburg does not apologize or mince words. Her "Anti-Bernstein" is a revolutionary codex drafted for the guidance of the working class approaching its political maturity. It was not written for a Social Democratic Party.

To Rosa Luxemburg, "the socialist labor movement . . . is always, and naturally, a multiplicity of groups and tendencies." To her, "socialist unity is not only a transient problem, a problem that is not posed in the labor movement once for all."

It is "a permanent problem, the solution of which must be examined again and again, and constantly related to the aim of safeguarding the principles and tactics of the proletarian party." She sees the revolutionary workers' party not as a congealed, closed organization, captured for all time by an inner clique and its pretension to infallibility, but as a permanent process, springing from the struggles of the labor movement. For the socialist revolution, she says, *can not* be the work of party machines and clever leaders. It *must be* the self-conscious achievement of the workers themselves.

All of this is branded as the most egregious sort of "heresy" by the moneyed organization—the agent of a powerful bureaucratic-military State—that claims today to be the permanent dispenser of the sole revolutionary truth. Upon more or less close examination, the attentive reader will find *Reform or Revolution* replete with such "heresies." It is these "errors" and "heresies" that make of the writings of Rosa Luxemburg banners of victory for all who have at heart the cause of the abolition of the wages system. "Doubly important is this knowledge for the workers . . . because it is precisely they and their

influence that are in question here. It is their skin that is being haggled over."

The text of this translation is that of the 1908 edition of the book, revised by the author when the opportunists had seemingly won the day. We hope that "Anti-Bernstein" will be immediately followed by the English version of Luxemburg's essays on party organization and on the question of leadership, by the incomparable *Accumulation of Capital*, and by other works. After the experience of the last twenty years they are more likely to find a response than when first written.

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